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NHS ENGLAND – BOARD PAPER

Title:

Board Committee Annual Reports

Lead Director:

Steve Verdon, Director of Governance

Purpose of Paper:

To report on the work of the four Board Committees, providing assurance they have met their duties delegated by the Board, proposing minor amendments to some Committee terms of reference and informing the Board of Committee work programmes in place for 2015/16. The committees covered by this report are:

- Audit and Risk Assurance Committee
- Commissioning Committee
- Specialised Services Commissioning Committee
- Investment Committee

The Board invited to:

- Receive the reports, which provide assurance that the Committees have fulfilled their duties delegated by the Board over the course of 2015/16; and
- Agree the proposed revisions to the Terms of Reference.

Board Committee Annual Reports

PURPOSE

1. To report on the work of the four Board Committees, providing assurance they have met their duties delegated by the Board, proposing minor amendments to some Committee terms of reference and informing the Board of Committee work programmes in place for 2015/16. The committees covered by this report are:
 - i. Audit and Risk Assurance Committee
 - ii. Commissioning Committee
 - iii. Specialised Services Commissioning Committee
 - iv. Investment Committee

BACKGROUND

2. Each committee of the NHS England Board is required to provide an annual report summarising the purpose of the committee, membership and attendance, key issues covered and actions taken. They include a short summary of key areas to be addressed over the coming year, and each committee has taken this opportunity to review terms of reference, proposing changes where necessary, for Board confirmation.
3. The Chair of each committee has reviewed the annual reports, provided assurance that the committee has met its delegated duties, and considered whether any issues of significant concern need to be raised to the attention of the Board. Proceedings of each committee are routinely reported to each Board meeting, and committee Chairs have highlighted particular areas of concern during those discussions, when required. No new concerns have been identified through the annual review process.
4. Annual reports have been received from the following committees:
 - Audit and Risk Assurance Committee
 - Commissioning Committee
 - Specialised Services Commissioning Committee
 - Investment Committee
5. Due to the confidential nature of their discussions, the annual report from the Strategic HR and Remuneration Committee will be shared with the Board at their closed meeting in September.

IMPLICATIONS

Legal/Regulatory

6. The table below sets out the proposed changes to the Terms of Reference of the Audit and Risk Assurance, Commissioning, and Specialised Services Commissioning Committee. The Terms of Reference for the Investment Committee remain unchanged following this review.

Audit and Risk Assurance Committee	A change to the qualification requirements of the Chair of the Committee.
Commissioning Committee	The inclusion of the Committee's responsibility for oversight of financial planning and performance. A change to the membership of the Committee.
Specialised Services Commissioning Committee	A revision to reflect the focus of the Committee's work programme for 2016/17. A change to the membership of the Committee, to reflect both staff and organisational changes.

7. The Standing Orders will be revised to take account of these amendments, should Board approval be received.

RECOMMENDATIONS

8. The Board is asked to:
- Receive the reports, which provide assurance that the Committees have fulfilled their duties delegated by the Board over the course of 2015/16; and
 - Agree the proposed revisions to the Terms of Reference.

Author: Lesley Tillotson, Board Secretary

Date: July 2016

Audit & Risk Assurance Committee Annual Report For the period 1 April 2015 to 31 March 2016

Introduction

1. The purpose of the Committee is to provide an independent and objective view of financial reporting, internal control and risk assurance.
2. The Committee is authorised to take decisions on behalf of NHS England on matters relevant to the purpose of the Committee (but not reserved to the Board), to obtain outside legal or other independent professional advice, and to secure attendance of outsiders with relevant experience and expertise if they consider this to be necessary.

Meetings of the Committee

3. During this period, the Committee met on six occasions.
4. The members of the Committee were as follows:
 - Ed Smith (Chair to September 2015)
 - David Roberts (Interim Chair from October 2015)
 - Noel Gordon
5. A summary of members' attendance is given at annex 1.

Sub-committees/groups

6. The Committee has not established any sub-committees or groups.
7. The Chair of DH Audit Committee, Gerry Murphy, was invited to attend ARAC Committee Meetings during 2015-16, to aid a more collaborative approach to issues which are of mutual concern.

Delivery of the Work Programme

8. During the period of this report, the key issues considered by the Committee were:

Internal Audit

- Approval of a plan of work for 2015-16 and monitoring against that plan, including considering issues arising and high priority recommendations being raised by Deloitte;
- Focus on overdue audit recommendations to bring the number down significantly;
- Consideration of reports with an assurance assessment of "none" including Management of Performer Concerns and Dental Performance Management
- Approval of the extension of the Internal Audit contract by one year to 31 March 2017 pending agreement on the future approach to providing the internal audit service.
- Consideration of the key risk and control priorities identified by Deloitte: and ,
- Close monitoring of arrangements for service auditor reporting to clients of commissioning support units.

Counter Fraud

- Reviewed the Tackling Fraud Bribery and Corruption Policy
- Approved a proactive plan for 2015-16; and,
- Monitored proactive fraud activity, provided by Deloitte, and received reports on the volume of cases under investigation and strategic updates from NHS Protect.

External Audit & Financial Reporting

- Considered and recommended the 2014-15 Annual Report & Accounts for signature;
- Monitored the timetable and delivery of the Annual Report & Accounts for 2015-16. This included the production of Month 9 accounts and early draft of the Governance Statement; and,
- Received updates from the NAO on their work throughout the year, including the NAO planning risks and management's responses to those risks and other issues raised.

Governance

- Received updates on the Governance and Assurance plan in response to the key risk and control priorities identified by Deloitte,
- Received updates on the Accountabilities for Data and Cyber Security in the NHS which was identified as a key risk area,
- Reviewed risk deep dives in respect of Establishment Controls, the CCG Assurance Framework and Major Programme Delivery.
- Reviewed the 2014-15 Information Governance Toolkit
- Reviewed Conflicts of Interest Guidance in light of changes to the commissioning system
- Received an update on NHS England's approach to Whistleblowing
- Reviewed a stocktake on the delivery of NHS Programmes
- Reviewed the assessment of NHS England's performance against the Mandate
- Considered and recommended to the Board for approval, updated Standing Orders, Standing Financial Instructions and Scheme of Delegation; and,
- Received reports on the waiving of tendering processes, reported breaches of Standing Financial Instructions and losses and special payments made during the financial year.
- Received reports on the Corporate Risk Register

Committee Matters

- Considered the Committee's forward work programme, including the timing of activities; and,

Work Programme for 2016/17

Internal Audit

- Evaluation of the effectiveness of internal audit;
- Consideration and approval of the 2016-17 work programme;
- Monitoring delivery against the work programme; and,
- Monitoring management's delivery against agreed actions arising as a result of work undertaken.

Counter Fraud

- Consideration and approval of NHS England's Counter Fraud Strategy 2016-2020 ;
- Consideration and approval of the 2016-17 work programme
- Monitoring delivery against the strategy and work programme; and,

- Monitoring management's delivery against agreed actions arising as a result of work undertaken.

External Audit & Financial Reporting

- Evaluation of the effectiveness of external audit;
- Consideration and recommendation of the 2015-16 Annual Report & Accounts to the Accounting Officer for signature; and,
- Monitoring the audit planning and delivery for 2016-17, including reports received from the NAO

Governance

- Consideration of the Corporate Risk Register;
- Consideration of any proposed changes to Standing Orders, Standing Financial Instructions or the Scheme of Delegation;
- Consideration of progress against the Governance and Assurance Plan;
- Consideration of progress with Accountability for Data and Cyber Security;
- Consideration of further risk deep dives including Specialised Commissioning, the Five Year Forward View, Risk Appetite, Primary Care Co-commissioning, Disaster Recovery and CSU Assurance.

Committee Matters

- On-going consideration of the Committee's forward work programme;
- Undertaking a formal effectiveness self-assessment at next year end.

Review of Terms of Reference

9. The terms of reference for the committee were reviewed at the meeting in May 2016 and some minor changes to the list of attendees were proposed.
10. Revised terms of reference are attached at annex 2 for approval.

Review of Effectiveness

11. The Committee will conduct a review of effectiveness during the next year.

Assurance Statement

Internal Audit

12. The Committee confirms it has fulfilled its duties in respect of monitoring the provision of internal audit services, including the approval of an appropriate risk based programme of work for 2015-16.

Counter Fraud

13. The Committee confirms it has fulfilled its duties in respect of monitoring the provision of counter fraud services, including the approval of an appropriate programme of work for 2015-16.

External Audit & Financial Reporting

14. The Committee confirms it has fulfilled its duties in respect of the external audit and the Annual Report & Accounts.

Governance

15. The Committee confirms it has fulfilled its duties in respect of considering and monitoring the governance arrangements for the organisation for 2015-16.

Recommendations

16. The Board is asked to:

- Note the report;
- Take assurance from the Committee with regard to delivery of the work programme; and,
- Adopt the revised Terms of Reference.

David Roberts

Interim Chair, Audit & Risk Assurance Committee

**Annex One - Summary of members' attendance for the period
1 April 2015 to 31 March 2016**

Member	06-05-2015	22-06-2015	06-07-2015	28-09-2015	14-12-2015	26-02-2016	% attendance
Ed Smith	X	X	X	X	N/A	N/A	100
David Roberts	X	X	X	X	X	X	100
Noel Gordon	X	X	X	X	X	X	100

Key:

X in attendance
A apologies given
D deputy attended

Annex 2 - Terms of Reference - Audit and Risk Assurance Committee

Purpose

The Audit & Risk Assurance Committee provides an independent and objective view of internal control. The Committee is authorised to take decisions on behalf of NHS England on matters relevant to the purpose of the Committee (but not reserved to the Board) and to obtain outside legal or other independent professional advice and to secure attendance of outsiders with relevant experience and expertise if they consider this to be necessary. The Committee is authorised to co-opt additional members for a period not exceeding a year to provide specialist skills, knowledge and experience.

Duties

The Committee will advise the Board and Accounting Officer on:

- The strategic processes for risk, control and governance and the Governance Statement;
- The accounting policies, the accounts, and the annual report of NHS England, including the process for review of the accounts prior to submission for audit, levels of error identified, and management's letter of representation to the external auditors;
- The planned activity and results of both internal and external audit;
- Adequacy of management response to issues identified by audit activity, including external audit's management letter;
- Assurances relating to the management of risk and corporate governance requirements for NHS England;
- Proposals for tendering for Internal Audit services or for purchase of non-audit services from contractors who provide audit services; and,
- Anti-fraud policies, whistle-blowing processes, and arrangements for special investigations.

The Committee will also periodically review its own effectiveness and report the results of that review to the Board.

Note: NHS England, and thus the Committee, fulfils a dual role with regard to the activities of NHS England itself and its oversight of the wider NHS commissioning system. While the governance of individual CCGs is a matter for their respective Boards and Audit Committees, the NHS England Audit & Risk Assurance Committee will seek assurance that NHS England's oversight and management of the commissioning system is effective in securing delivery of the overall NHS strategy and in eliminating or mitigating strategic, financial and operational risks

Governance, Risk Management and Internal Control

- The Committee will review the establishment and maintenance of an effective system of governance, risk management and internal control, covering all of NHS England's activities (including any hosted bodies) and supporting achievement of NHS England's objectives
- In particular, the Committee will review the adequacy and effectiveness of:
 - All risk and control related disclosure statements (in particular the annual governance statement), together with the accompanying Head of Internal Audit Opinion, external audit opinion or other appropriate independent assurances, prior to endorsement by the Board, where necessary;
 - The underlying assurance processes that indicate the degree of achievement of corporate objectives, the effectiveness of the management of principal risks and the appropriateness of the above disclosure documents;

- The policies for ensuring compliance with relevant regulatory, legal and code of conduct requirements and related reporting and self-certification; and,
- The policies and procedures for all work related to fraud and corruption as set out in the Secretary of State Directions and as required by the NHS Counter Fraud and Security Management Service.
- The Committee will primarily utilise work of internal audit, external audit and other assurance functions but will not limit itself to these sources. It will also seek reports and assurances from Officers as appropriate, concentrating on the over-arching systems of governance, risk management and internal control, together with indicators of their effectiveness.
- This will be evidenced through the Committee's use of NHS England's Board Assurance Framework to guide its work and that of the audit and assurance functions that report to it.

Internal Audit

- The Committee will ensure there is an effective internal audit function that meets mandatory Government Internal Audit Standards and provides appropriate independent assurance on the full range of strategic, financial and operational risks to the Audit Committee, Chief Executive and Board.
- This will be achieved by:
 - Consideration of the provision of the internal audit service, the cost of the audit and any questions of resignation and dismissal;
 - Review and approval of the internal audit strategy, operational plan and more detailed programme of work ensuring that this is consistent with the audit needs of NHS England as identified in the Board Assurance Framework;
 - Considering the major findings of internal audit work (and management's response), and ensuring co-ordination between the internal and external auditors to optimise audit resources;
 - Ensuring that the internal audit function is adequately resourced and has appropriate standing within NHS England; and
 - An annual review of the effectiveness of internal audit.

External Audit

- The Committee will review the work and findings of the external auditors and consider the implications of and management's response to their work.
- This will be achieved by:
 - Consideration of the appointment and performance of the external auditors, as far as the rules governing their appointment permit;
 - Discussion and agreement with the external auditors, before the audit commences, of the nature and scope of the audit as set out in the annual plan, and ensuring co-ordination, as appropriate, with other external auditors operating within the NHS;
 - Discussion with the external auditors of their evaluation of audit risks, their assessment of NHS England and the associated impact on the audit fee; and
 - Review of all external audit reports, including the report to those charged with governance, agreement of the annual audit letter before submission to the Board, and any work undertaken outside the annual audit plan, together with the appropriateness of management responses.

Other Assurance Functions

- The Committee will review findings of other significant assurance functions,

both internal and external to NHS England, and consider the implications for the governance of NHS England. These will include, but will not be limited to, any reviews by the Department of Health.

- In addition, the Committee will review the work of other Committees within NHS England, whose work can provide relevant assurance to the Committee's own scope of work.
- The Committee will review reports and assurances from Officers on the overall Corporate Performance of NHS England, and the implementation of NHS England's agreed policies and standards.

Counter Fraud and Whistleblowing

- The Committee will satisfy itself that NHS England has adequate arrangements in place for countering fraud and will review the outcomes of counter fraud work.
- The committee will review arrangements by which staff may, in confidence, raise concerns about the possible improprieties in matters of financial reporting or other matters.

Management

- The Committee will request and review reports and positive assurances from Officers on the overall arrangements for governance, risk management and internal control.
- The Committee may also request specific reports from individual functions within NHS England as they may be appropriate to the overall arrangements.
- The Committee will receive assurance from a nominated individual on compliance with Efficiency Controls requirements.

Financial Reporting

- The Committee will monitor the integrity of the financial statements of NHS England and any formal announcements relating to NHS England's financial performance.
- The Committee should ensure that the systems for financial reporting to the Board, including those of budgetary control, are subject to review both as to the completeness, accuracy and fitness for purpose of the information provided to the Board and with regard to the effectiveness of the Board's consideration of this information.
- The Committee will review the annual report and accounts before submission to the Board, focussing particularly on:
 - The wording in the annual governance statement and other disclosures relevant to the terms of reference of the Committee;
 - Changes in, and compliance with, accounting policies, practices and estimation techniques;
 - Unadjusted mis-statements in the financial statements;
 - Significant judgments in preparation of the financial statements;
 - Significant adjustments resulting from the audit;
 - Letter of representation; and
 - Qualitative aspects of financial reporting.

Members

- Chair – a Non-executive director **who should have a financial qualification or recent and relevant financial experience with an appropriate financial qualification** (in the absence of the Chair another Non-executive director who is a member of the Committee).
- At least two other Non-executive directors.

Attendees

- Chief Financial Officer.

- National Director: Transformation and Corporate Operations
- Director of Financial Control
- Director of Governance.
- Representative(s) of External Audit.
- Representative(s) of Internal Audit.
- Representative(s) of Counter Fraud.
- Chief Executive as required. As a minimum this should be when the Committee considers the draft internal audit plan and the annual accounts and, at least annually, to discuss the process for assurance that supports the Annual Governance Statement.

Quorum

The meeting will be quorate if at least two members are attending. In addition, the Chief Financial Officer will normally be expected to attend unless the Committee expressly decides that it has business that needs to be restricted to Members only.

Frequency

The committee will meet at least five times per annum, scheduled to allow the discharge of all of the Committee's responsibilities. At least once a year the Committee will meet privately with the Internal and External Auditors.

Annual Report – Commissioning Committee Annual Report For the period 1 April 2015 to 31 March 2016

Introduction

1. The Commissioning Committee was established in March 2015 to advise the Board on the development and implementation of strategy for the commissioning sector, agree commissioning priorities and allocation of resources, and receive assurance that performance, quality and financial outcomes are delivered, including taking over responsibility for financial performance monitoring from the Investment Committee with effect from January 2016. It also oversees assurance and development of the commissioning system.

Meetings of Committee

2. During this period, the Committee met on 11 occasions.

Membership:

David Roberts	Non-Executive Director (Committee Chair)
Lord Victor Adebawale	Non-Executive Director
Noel Gordon	Non-Executive Director
Dr Amanda Doyle	Chief Clinical Officer, Blackpool CCG and Co-Chair of NHS Clinical Commissioners
Richard Barker (from 1.1.16)	National Director: Commissioning Operations (Interim)
Paul Baumann	Chief Financial Officer
Jane Cummings	Chief Nursing Officer
Ian Dodge	National Director: Commissioning Strategy
Barbara Hakin (until 31.12.15)	National Director: Commissioning Operations
Sir Bruce Keogh	National Medical Director
Simon Stevens	Chief Executive

3. The membership was updated in December 2015 to include the Chief Executive.
4. A summary of members' attendance is given at annex 1.
5. All Non-Executive Directors have a standing invitation to attend and participate in any of the Committee's meetings. The Chairman has attended several meetings.

Sub-committee/groups

6. The Committee has not established any sub-committees or groups.

Delivery of work programme

7. During the period of this report, the Committee has:

- reviewed and agreed recommendations for CCGs taking on the delegation of primary medical care commissioning functions on behalf of NHS England's Board;
- overseen the CCG assurance process, ensuring that CCGs meet their statutory duties regarding quality and the requirements of patients and the public, including authorising recommendations for the exercise of statutory powers of intervention and placing CCGs into special measures where this is appropriate;
- considered a range of operational and strategic issues, including those highlighted through performance reports for directly commissioned and CCG commissioned services, and from the clinical corporate priority reviews;
- received assurance on progress with the devolution programme, and agreed the process and governance for calls for devolution of NHS England's functions for approval by the Committee and applied them in decision-making with regard to Greater Manchester;
- overseen development of NHS England's commissioning strategy, setting out NHS England's expectations of the commissioning system in delivering the Five Year Forward View and the actions it will take in support of that; and
- provided oversight of the allocations process.

Work programme for 2016-17

8. The Committee will focus on three blocks of work over 2016/17:
- The main system transformation programmes: design and delivery;
 - In year performance and finance; and
 - Oversight of the commissioning system and its development.

Review of Terms of Reference

9. The Terms of Reference for the Committee were updated in December 2015 to include responsibility for oversight of financial planning and performance. There were no other significant changes other than to the membership as outlined in section 2.0.

Review of effectiveness

10. From June 2015 a CCG representative was invited to attend the Committee.
11. In light of the added financial responsibilities taken on by the Committee in December 2015, the Committee agreed, that an additional Non-Executive Director join the Committee.
12. Following year end, the Committee secretariat worked with the Chair to review the Committee's work programmes and ways of working to ensure we are able to maximise the value it adds to individual programmes, and to NHS England as a whole. The resulting suggested changes have been agreed by the Committee and implemented and incorporated in to the forward plan for 2016/17.

Assurance Statement

13. The Chair provides assurance that the Committee has met its duties delegated by the Board, and there are no issues of concern to raise to the Board.

Recommendations

14. The Board is asked to:
 - Note the report; and
 - Take assurance from the Committee with regard to delivery of the work programme.

Author **David Roberts**
Date: **June 2016**

Annex 1: 2015-26 Commissioning Committee attendance log

	March 2015	April 2015	May 2015	June 2015	September 2015	13 November 2015	25 November 2015	December 2015	January 2016	February 2016	March 2016
Non-Executive Directors											
Lord Victor Adebowale	X			X		X	X	X	X	X	X
David Roberts (Chair)	X	X	X	X	X	X	X	X	X	X	X
Noel Gordon	X	X	X	X	X	X	X	X	X	X	X
Executive Directors											
Simon Stevens	X		X		X	X	X		X	X	X
Paul Baumann	X	X	X	X	X	X	X	X	X	X	X
Jane Cummings	X	X	X				X		X	X	X
Bruce Keogh		X	X	X	X	X	X		X	X	X
Richard Barker (from 01.01.16)									X	X	
Ian Dodge	X	X	X	X	X	X	X	X	X	X	X
Dame Barbara Hakin (until 31.12.15)	X	X	X	X	X	X	X				
Other Members											
Amanda Doyle					X	X	X		X	X	

Annual Report – Specialised Services Commissioning Committee

Annual Report

For the period 1 April 2015 to 31 March 2016

Introduction

1. The Specialised Services Commissioning Committee was established in March 2016 to advise the NHS England Board on the development and implementation of strategy for specialised services, and to agree the priorities for specialised commissioning. The Committee also provides assurance of specialised commissioning decisions and implementation of the strategy.

Meetings of Committee

2. During the financial year 2015/16, the Committee met on five occasions: 12 June 2015; 30 June 2015; 8 September 2015; 3 November 2015; and 24 February 2016.
3. Membership of the committee, at establishment on 30 June 2015, was as follows:
 - Paul Baumann (Chief Financial Officer)
 - Sir John Burn (Non-Executive Director) Deputy Chair
 - Margaret Casely-Hayford (Non-Executive Director)
 - Ian Dodge (National Director: Commissioning Strategy)
 - Noel Gordon (Non-Executive Director) Chair
 - Barbara Hakin (National Director: Commissioning Operations)
 - Tim Kelsey (National Director for Patients and Information)
 - Sir Bruce Keogh (National Medical Director)
 - Simon Stevens (Chief Executive Officer)

In attendance

- Richard Jeavons (Director of Specialised Commissioning)
 - James Palmer (Clinical Director, Specialised Commissioning)
 - Paul Watson (Regional Director, Midlands and East, and Chair of SCOG)
4. The following in-year changes to membership took place:
 - Barbara Hakin and Tim Kelsey both stepped down in January 2016, following their departure from NHS England on 31 December 2015
 - Richard Jeavons stepped down in January 2016, and was replaced by the new Director of Specialised Commissioning, Dr Jonathan Fielden
 - John Stewart (Director for Strategy and Policy, Specialised Commissioning) and Gareth Arthur (Head of Strategy and Policy, Specialised Commissioning) joined in attendance in January 2016, with the latter taking responsibility for the committee secretariat
 - Paul Watson stepped down in March 2016, as Jonathan Fielden took over the chair of SCOG

5. A summary of members' attendance is given at appendix A. The Board Chairman also attends meetings of the Committee from time to time.

Sub-committee/groups

6. The Committee oversees the Specialised Commissioning Oversight Group (SCOG), from which it receives regular updates during the year.

Delivery of work programme

7. The Specialised Services Commissioning Committee has considered a wide range of operational and strategic issues during 2015/16.
8. The Committee has received updates on priority issues, including the congenital heart disease review, Child and Adolescent Mental Health Service (CAMHS), and drugs and devices. The Committee has also had regular updates on Hepatitis C services, in particular the introduction of NICE-approved drugs through Operational Delivery Networks supported by local clinical leadership.
9. Specifically on the work programme, during 2015/16, the Committee has:
 - Overseen the launch a new strategic framework to better align the future direction of specialised services with the Five Year Forward View. This new framework will provide a strong basis for engagement with stakeholders over the coming months.
 - Overseen development of the collaborative commissioning programme, which is aimed at enabling greater CCG influence and responsibility for specialised commissioning. Ten collaborative commissioning hubs have now been established, which are supporting the Sustainability and Transformation planning (STPs).
 - Provided assurance on a new 'decision-making' methodology to support the Clinical Priorities Advisory Group in more effectively prioritising which new services, products and treatments should be funded by potential additional discretionary spend.
 - Overseen the development of a service review programme, including regionally and nationally led service reviews to drive improvements in quality and value-for-money. In particular, significant progress has been made on improving value in purchasing high cost devices by used in specialised care.
 - Supported improvements in business intelligence. NHS England is committed to giving CCGs and NHS England in the regions practical support in gathering data, evidence and tools to help them transform the way care is delivered for their patients and populations
10. The Committee has also provided assurance that the overall financial position for 2015/16 was balanced, excluding the impact of the Cancer Drugs Fund (CDF), and has provided assurance on commissioning decisions taken by SCOG.
11. In addition, the Committee has received updates on NHS England's work to involve patients and the public in specialised commissioning decisions.

Work programme for 2016-17

12. The Committee's focus in 2016/17 will be supporting the development of the strategic framework – and providing assurance on the delivery of that framework. The framework will support alignment with the Five Year Forward View and development of STPs, to enable fully integrated care pathways for patients and place-based care for whole populations.
13. Specifically, the Committee's work programme will align with the strategic framework:
 - **Delivery of place- and population-based care:** Supporting local level collaboration to integrate care pathways and improve patient care, identify sustainable provider configuration and develop more flexible options for commissioning.
 - **Providing national level support:** Developing national support to enable local flexibility, including reform of clinical advice, improving data and information, support for innovation, and improving the prioritisation of new drugs and treatments.
 - **Ensuring financial sustainability and value for money:** Putting in place financial controls in ways that provide clear incentives to transform provision and integrate specialised elements with the whole care pathway.
14. The Committee will also continue its assurance of the financial position, SCOG decisions and patient and public involvement. From 1 July, the Committee will also oversee the CDF investment group, which is being established as part of the new CDF operating model.

Review of Terms of Reference

15. The Terms of Reference for the Committee have been reviewed and revised to reflect the focus of its work programme in 2016/17.
16. Membership has been amended to reflect staff and organisational changes. See appendix B for revised membership to take effect from 29 July 2016.

Review of effectiveness

17. The effectiveness of the Committee was reviewed by the Chair with the Committee secretariat and the Director of Specialised Commissioning in 2016. The resulting changes to the Terms of Reference, ensuring the Committee had more of a strategic focus, were agreed by the Committee on the 27 June 2017.

Assurance Statement

18. Throughout 2015/6 the committee has met its duties delegated by the Board. Where there were significant issues that needed to be discussed by the Board, the committee Chair ensured they were tabled at the next Board meeting.

Recommendations

19. The Board is asked to:

- Note the report;
- Take assurance from the Committee on the 2016/17 work programme; and
- Adopt the revised terms of reference and membership

Author Gareth Arthur (on behalf of the Committee chair: Noel Gordon)
Date: June 2016

APPENDIX A: MEMBERS ATTENDANCE

	Specialised Commissioning Committee 2015/16	
	<i>No. of meetings attended</i>	<i>No. of Eligible meetings</i>
Paul Baumann	5	5
Sir John Burn	3	5
Margaret Casely-Hayford	4	5
Ian Dodge	4	5
Noel Gordon (Chair)	5	5
Dame Barbara Hakin (until 31.12.15)	4	4
Tim Kelsey (until 31.12.15)	4	4
Sir Bruce Keogh	5	5
Simon Stevens	5	5
Gareth Arthur (from 01.01.2016)	1	1
Jonathan Fielden (from 01.01.2016)	1	1
Richard Jeavons (until 31.12.15)	4	4
James Palmer	5	5
John Stewart (from 01.01.2016)	1	1
Paul Watson (until 01.03.2016)	4	5

APPENDIX B: REVISED TERMS OF REFERENCE

SPECIALISED SERVICES COMMISSIONING COMMITTEE (SSCC) TERMS OF REFERENCE (ACTIVE FROM 29 JULY 2016)

PURPOSE

1. The Specialised Services Commissioning Committee purpose is to assure the Board that allocation for specialised commissioning in 2016/7 is utilised to maximise value, improve patient and population outcomes and ensure sustainability and transformation as part of wider programmes across the NHS.
2. The Committee's work programme should align with implementation of the required changes in how specialised services are to be commissioned and provided, specifically: delivery of place and population based systems of care, reforms at the national level to enable local flexibility, and ensuring financial sustainability

DELEGATED RESPONSIBILITIES

3. The Committee operates on behalf of and reports to the Board. The following summarises the scope of responsibilities of the Committee:
 - Agree NHS England's work programme for specialised services and receive assurance about its delivery, with associated risks identified and mitigated
 - Promote the development and implementation of the strategic framework for specialised commissioning, being led by the Director of Specialised Commissioning
 - Ensure alignment of Specialised Commissioning strategy development with wider sustainability and transformation work across the overall commissioning system
 - Assure in-year and end-of-year financial balance, and to ensure necessary action – internally and with external bodies – is taken to ensure financial sustainability
 - Assure the work of the Specialised Commissioning Oversight Group (SCOG) and the Cancer Drugs Fund Investment Group (CDFIG)

GOVERNANCE

4. The Committee will be accountable and provide regular updates to the Board. The Board approves the Terms of Reference and membership
5. Quoracy is reached when two or more Non-Executive Directors and the National Director are present.
6. The Secretariat is provided by NHS England. The Secretariat is responsible, along with the Chair, for ensuring that the Committee operates within its Terms of Reference

MEMBERSHIP

7. Formal members:

- Paul Baumann (Chief Financial Officer)
- Sir John Burn (Non-Executive Director) Deputy Chair
- Ian Dodge (National Director: Commissioning Strategy)
- Dr Jonathan Fielden (Director of Specialised Commissioning)
- Noel Gordon (Non-Executive Director) Chair
- Sir Bruce Keogh (National Medical Director)
- Michelle Mitchell (Non-Executive Director)
- Simon Stevens (Chief Executive Officer)
- Matthew Swindells (National Director: Operations & Information)

In attendance:

- Gareth Arthur (Head of Strategy and Policy, Specialised Commissioning and Committee secretariat)
- James Palmer (Medical Director, Specialised Commissioning)
- John Stewart (Director for Strategy and Policy, Specialised Commissioning)

8. Additionally, the committee secretariat can invite people with additional expertise/knowledge to be in attendance

DECLARATIONS OF INTEREST

9. All members of the Committee must declare their relevant personal, non-personal, pecuniary interests or potential ones. An interest is relevant if it has occurred in the last twelve months or if it is a current or planned involvement. The Chair will determine whether any conflict is such as to require the member not to participate in the discussion or the decision-making.

TERMS OF REFERENCE REVIEW DATE

10. Terms of Reference will next reviewed as part of the 2017/18 annual report process

Annual Report – Investment Committee Annual Report For the period 1 April 2015 to 31 March 2016

Introduction

1. Responsibility for financial planning and performance transferred from the Investment Committee to the Commissioning Committee from January 2016.

Meetings of Committee

2. During the period of this report, the Committee has:
 - Scrutinised the financial planning and performance of NHS England and the commissioning system, including risks and mitigations, until transfer of responsibility to the Commissioning Committee (see above). This included scrutiny of CCG and Direct Commissioning financial performance, as well as central NHS England expenditure, and oversight of the development of the CCG financial resilience programme, which was also handed over to the Commissioning Committee.
 - Discussed and agreed the application of a value-based methodology for assessing investment decisions and applied this to investment decisions relating to 2016/17 New Models of Care vanguard sites.
 - Approved access to funding from the Transformation Fund, in 2015/16 and 2016/17, for the Success Regime programme and other areas of the fund, and conducted a deeper analysis on some of the findings from one of the Success Regime sites.
 - During 2015/16 the Investment Committee have also approved a number of non-clinical and capital investments, and reviewed the financial aspects and investment requirements of reconfiguration proposals in line with Standing Financial Instructions (SFIs).
 - Discussed updates from the Oversight Group for Service Change and Reconfiguration (OGSCR), and reviewed the pipeline of service change and reconfiguration cases. The committee also agreed the scheme of delegation and Terms of Reference for the OGSCR, and considered a number of schemes relating to service change and reconfiguration during 2015/16.

Delivery of work programme

3. The Committee is working in accordance with the Schedule of Business, although we note that there has been a slowing of reconfigurations being submitted for approval, which we believe is linked to reconsidering these in the light of the Sustainability and Transformation Planning process.

Recommendations

4. The NHS England Board is invited to note the content of this report.

Author **Moira Gibb, non-Executive Director**
Date: **June 2016**

